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ABSTRACT

Family policy remains one of the leading issues of Swedish domestic politics. All parties are agreed that families with children must be given a better deal in the wake of the economic crisis. But how is this to be done and how quickly can it be achieved? Is the expansion of day nursery facilities to be speeded up, or are parents to be given a care allowance which will enable one of them to stay at home? Opinions differ on this point, not only between the Social Democratic Government and the Opposition but also between the non-socialist parties. This article, after identifying crucial issues and ideological aspects of the debate in Sweden on family policy, reviews benefits provided for families in Sweden and discusses, within the context of current history, the family policy of the major Swedish political parties, including the Social Democrats, the Moderates, the Liberal Party, the Center Party, the Christian Democratic Party, and the Left Party Communists. It is concluded that, since the Liberal Party's immense success in the 1985 election, most current indications point to a continuation of the debate on freedom of choice in its broad sense, at least for as long as there continues to be an acute shortage of day nursery places. (RH)

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SWEDISH FAMILY POLICY

BY STAFFAN HERRSTRÖM

Family policy remains one of the leading issues of Swedish domestic politics. All parties are agreed that families with children must be given a better deal in the wake of the economic crisis. But how is this to be done and how quickly can it be achieved? Is the expansion of day nursery facilities to be speeded up, or are parents to be given a care allowance which will enable one of them to stay at home? Opinions differ on this point, not only between the Social Democratic Government and the Opposition but also between the non-socialist parties themselves.

STAFFAN HERRSTRÖM HAS BEEN A LEADER WRITER ON GÖTEBORGS-POSTEN, SWEDEN'S SECOND LARGEST DAILY, SINCE 1983.

The author alone is responsible for the opinions expressed in this article.

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Swedish Family Policy*

"An ordinary family can hardly afford to live." Headlines like this have been a frequent occurrence in Swedish newspapers during recent years. Feature articles about worried parents have mingled with statistics showing how different types of family have coped since the end of the 1970s, when Sweden entered a period of severe economic imbalances, partly in the form of rising unemployment and heavy deficits in the balance on current account and the national budget. At the same time the economics of young families have become an increasingly controversial issue in national politics, and this has been especially the case since 1984.

Surveys have shown that families with children have a great deal less to spare than other households after meeting their basic living costs. Single parents and families with more than one child are particularly vulnerable. And the gap between families and childless households has widened.

There are many reasons for this. Real earnings in Sweden have declined year by year ever since the mid-seventies. Overt unemployment is still high by Swedish standards (3% approx.) and what is more, large groups of people are employed by means of training and relief work (job creation) schemes. Meantime, basic child allowance lost approx. 25% of its purchasing power between 1979 and 1984 alone.

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* This is a revised and updated version of the article written by the author for the Swedish Institute's Current Sweden series in May 1985, looking ahead to the general elections in September that year. The Social Democrats remained in power, though their share of the popular vote fell from 45.6 to 44.7%. The number of seats of the parties in the Riksdag (Parliament) is now distributed as follows:

Social Democratic Party	159
Moderate Party	76
Liberal Party	51
Centre Party	44
Left Party Communists (VPK)	19

As a result, the number of people forced to apply to municipal social welfare offices for cash assistance has grown and expenditure on these handouts has been rising for several years (by 12% in 1984, expressed in fixed money terms). In 1981 there were 66,000 families on social security, and by 1984 this figure had risen almost to 95,000. By way of comparison, in 1980 there were about 1 million households with children under 16.

At the same time it has to be emphasised that the economic problems of single persons without children have recently come to be viewed as a more important reason for the growing number of social security recipients than was previously supposed.

Demands for economic improvements for families with children have existed for a long time. But the heavy deficit in the national budget—about MSEK* 45,000 at present—has obliged both non-socialist and socialist governments to exercise great restraint in the matter of government spending ever since 1980.

At the beginning of 1984 the economic problems of the family moved into the limelight of party politics. The opposition parties presented various reform packages, forcing the Government to tackle the issue. Intensive efforts to achieve a broadbased consensus between the Social Democratic Government and the non-socialist Opposition ended in failure, whereupon the Social Democrats, together with the Left Party Communists (VPK), introduced and carried proposals of their own, the most important provision being a 45% increase in child allowances with effect from 1st January 1985. An additional, similarly constructed reform of family finance will be implemented on 1st January 1987.

The second crunch issue in the debate on family policy concerns child care amenities. This too is partly connected with Sweden's economic problems. The expansion of municipal day nurseries and other collective forms of care has proceeded less rapidly than the Riksdag anticipated in its 1976 policy resolution. By the New Year 1985 somewhat more than 280,000 pre-school children had places in municipal day nurseries or in family day care, the latter being an arrangement whereby the municipalities pay private persons to look after children in their homes. These 280,000 children are just over half the total number of pre-school children with gainfully employed parents. Statistics Sweden (SCB) puts the acute shortage at about 75,000 places (1986). The following figures will serve to illustrate the diminishing rate of expansion: a total of 21,800 places were added in 1977, but only 6,500 in 1982.

Thus the expansion of child care amenities has failed to keep pace with the entry of women into employment. Nearly 60% of all women were gainfully employed in 1970, as against nearly 80% in 1984 (although nearly half were employed part time). This has had several controversial effects. Families are forced into temporary expedients. Many of them engage what are known as "black mummies", i.e. women who look after the children in return for payment which is not declared for taxation purposes and, consequently, does not carry social benefits. Furthermore, it has been alleged that family benefits are unfairly distributed because national and local authorities between them subsidise municipal child care amenities to the tune of about MSEK 16,000—money which is withheld from parents without day nursery places.

*SEK 1 (Swedish krona) = USD 0.14 or GBP 0.10 (approximately)

In the autumn of 1985 the Riksdag adopted new guidelines for the expansion of child care amenities, with the aim of all children over the age of 18 months being offered some form of municipal pre-school activity by 1991 at the latest. Children whose parents are gainfully employed or undergoing education are to be entitled to day nursery or its equivalent. Other children are to be given the opportunity of attending one of two forms of day nursery, viz. "open pre-school", which is a supportive scheme for parents, organised in conjunction with day nurseries, to which families are invited to bring their children; or else play school (part-time group), a form of pre-school activity which municipal authorities are already required by law to make available to all six-year-olds. Since the new expansion target does not really apply to all pre-school children but reduces the minimum age limit to 18 months, the Government estimated the number of new day nursery and family day care places needed at 55,000. Another 170,000 places are needed in open pre-school and play school. It is also the intention to measure demand annually by means of statistical surveys.

But there is also a pronounced ideological slant to the debate on child care. For a long time now there has been an antithesis between those who advocate day nurseries and those who want a parent to stay at home and look after the children. The day nursery apologists accuse their opponents of wanting to expel women from the employment sector, "back to the kitchen sink". The other side usually claim that present-day family policy discriminates against work in the home and prevents parents from making up their own minds how they want their children to be cared for.

These differences tend to cut across party political boundaries somewhat, but basically the Social Democrats want to give priority to the expansion of day nurseries, while the non-socialist parties want to introduce some type of care allowance which will extend child-care support to all parents, whichever form of child care they choose. In practice, however, there are great divisions of opinion in the non-socialist camp. The Liberals have traditionally been quite closely allied to the Social Democrats in the matter of day nurseries. The Moderates have taken a more sceptical line on the continuing expansion of day nursery amenities. The Centre and, still more so, the Christian Democratic Party (KDS), wish to introduce a form of support which will directly encourage work in the home; the Liberals are opposed to this.

These divisions were already apparent when the first tripartite non-socialist government was set up in 1976, and, as the Social Democrats today lose no time in reminding people, this thwarted every attempt to decide on a care allowance. Tension on this subject has been further increased now that KDS has won a seat in the Riksdag on a split ticket with the Centre Party.

But there is another ideological aspect of child care concerning which the socialist and non-socialist blocks are completely united against each other. In 1984 the Riksdag resolved, in response to a Government Bill, that day nurseries operated on a profit-making basis were to be ineligible for State grants. What happened was that a company called "Pysslingen" (Pixie) and owned by a large Swedish conglomerate was planning to set up as a child care contractor, in view of the current severe shortage of child care amenities. By the time the Government intervened, far-reaching plans had been drawn up for opening the first day nursery in one of the suburbs of Stockholm. Deprived of State grants, the venture became too expensive and the whole idea collapsed. Pysslingen has since

then become something of a cause célèbre in the debate on "privatisation" of public activities.

Family benefits in Sweden

Direct State support to families with children in 1986/87 will amount to MSEK 28,000. The cornerstone of the entire system is the basic child allowance introduced in 1948 and now standing at SEK 4,800 annually per child, irrespective of parental income. Since the beginning of the 1980s, basic child allowance has been combined with large family benefits, viz half an extra child allowance for the third child and a full extra allowance for the fourth and subsequent children. Together these two forms of support are costing the State upwards of MSEK 80,000.

The large family allowance was introduced as a result of surveys revealing that families with more than one child had more difficulties than others in making ends meet. The debate on declining birthrates (from 123,000 births annually in 1965 to 98,500 in 1985) in Sweden has probably also been a contributory factor.

Hardly anybody today would challenge the existence of child allowances, but it has been suggested, e.g. by the Moderates, that future improvements ought instead to take the form of tax deductions, so as to avoid "dependence on hand-outs". Outside the realm of party politics, it has also been demanded that child allowances be made subject to a means test. This type of criterion is already applied to housing allowances, which are now being paid to about 315,000 families with some 600,000 children.

Housing allowances have been regarded as an effective means of redistributing incomes between high and low pay brackets, but at the same time they have had other effects which are now being increasingly highlighted in the course of debate. When a family's income rises, its housing allowance diminishes, at the same time as national income tax (which is steeply progressive) comes to be levied at a higher percentage rate. In many municipalities, a rise in income also means heavier day nursery charges. A marginal effect of this kind can deprive a young family in a normal income bracket of about 80% of a pay rise.

There are two essential components of financial support towards parental child care. The parental insurance scheme, which costs more than MSEK 60,000 to run, entitles both parents to leave of absence from work with compensation from the State.

This scheme, introduced in 1974, now entitles one parent to take full leave of absence for nine months with 90% loss of earnings compensation and to take a further three months' leave with SEK 48 compensation per day, known as the "guarantee level". Part of this entitlement can instead be utilised for half-time or quarter-time leave of absence. (Parents with children under 8 years old are entitled by law to reduce their work input to a six-hour day, with a corresponding reduction of earnings.) Parents decide for themselves how the benefit period is to be divided between them. More than a quarter of all married fathers of children born in 1981 stayed at home for some length of time. The average length of paternal leave was 50 days, while mothers took 288 days off on average. Parents of children under 12 are also entitled to stay at home and look after the children when they are ill, in which case approximately 90% loss of earnings compensation is payable. This entitlement is restricted to a maximum of 60 days per child and year.

There has been massive political consensus regarding paternal leave. If anything the politicians have been disgruntled at the low rate of utilisation on the part of the fathers. The view has been taken that an increase in the number of fathers on parental leave will help to even the balance between the sexes. Some spokesmen, therefore, have demanded compulsory sharing of parental leave between both parents, but proposals in this direction have been defeated in the Riksdag.

A certain amount of criticism has also been voiced, for example, by employers, on the grounds that there is too much statutory leave. A survey taken a few years ago showed that self-employed persons were more negative on the subject of paternal leave than other categories (whereas younger men are more positive). Negative attitudes among employers have been blamed by many people for deterring some men who fear that parental leave may obstruct their careers.

The State also pays grants totalling about MSEK 8 towards municipal child care. Municipal day nurseries receive grants at the maximum rate, while family day care and private day nurseries (e.g. those run by parents themselves) receive somewhat less. Municipal authorities, moreover, put up roughly the same amount as the State. The remainder, a minor proportion, is paid by parents in the form of direct charges, the size of which varies a great deal from one municipality to another.

The municipal authorities decide for themselves the pace at which they are to expand the number of day nursery places, but the law requires them to draw up a child care plan specifying future expansion among other things. Furthermore, under the Riksdag resolution already mentioned, every pre-school child will be entitled to take part in some form of municipal pre-school activity not later than 1991, when the Government proposes introducing legislation on the subject. In addition, the municipalities are already required to offer part-time pre-school education to all 6-year-olds, an offer which is in fact accepted by most families. (It should be made clear that child care consists not only of day nurseries for pre-school children but also of leisure centres for the youngest schoolchildren, i.e. those aged between 7 and 12 years.)

The political parties

The Social Democrats

Social Democratic family policy is based on women having entered employment for good. Extensive municipal child care amenities, it is emphasised, are conducive to equal opportunities by making it easier for women to go out to work. At the same time they provide support for children with disadvantaged family backgrounds. Economic improvements for families with children must be achieved primarily by increasing child allowances.

In 1976 the Riksdag approved a major programme for the expansion of child care. The aim then was to achieve full coverage of needs by the mid-1980s. As stated earlier, that aim has not been achieved. The 1984 Social Democratic Party Congress set a new target, that of all children between the ages of 18 months and 7 years being offered municipal child care places by about 1990. This policy decision was followed up in the autumn of 1985 with the adoption of the new expansion plan.

At present, then, not all parents are able to make use of the day nurseries subsidised by the State and municipal authorities. The non-socialist parties want to solve this problem of social justice by introducing some type of care allowance. The Social Democrats reject this idea which, in their opinion, is designed to get women out of the labour market. The present situation, they maintain, is justifiable, but only if the expansion of day nurseries is accelerated so as to make the injustice a passing phase.

The Social Democrats have a universal six-hour working day as their long-term objective, and in recent years this demand has been pressed more and more insistently by the Social Democratic Union of Swedish Women. Since, however, there is felt to be limited scope for reductions of working hours, the party has taken the line that parents of infant children, who of course are in particular need of time off, must be among those who are given priority. The Party Congress therefore resolved in favour of extending parental insurance so as to correspond to 18 months' full leave of absence. No timetable was laid down for this, however. The idea is for part of the insurance scheme to be used, as at present, to enable one parent to reduce his or her working hours to six hours a day without incurring any financial loss.

Certain minor augmentations of parental insurance were already decided on by the Riksdag at the beginning of 1985. These are designed among other things to encourage a larger number of fathers to exercise their right of staying at home. The plan was for part of this reform to be financed by mothers with a certain minimum income paying a charge for their food in maternity hospitals, but this proposal provoked an outcry and was defeated by the other four parties in the Riksdag.

During the period of non-socialist rule between 1976 and 1982, the Social Democrats vigorously criticised the effects of distributive policy on young families. These families, the Social Democrats maintained, were badly hit by devaluations and general austerity measures, at the same time as insufficient improvements were made to child allowances. The Government now claims that an ordinary family with children lost SEK 14,000 during that period.

Back in office, the Social Democrats have had to swallow much the same sort of criticism from the Opposition, especially in the beginning of 1984. Subsequently, during the spring 1984, the Government presented a reform package which was passed by the Riksdag and among other things included:

- An increase in child allowance by SEK 1,500 to SEK 4,800 per child annually.
- Corresponding improvements to "large family supplements".
- Improvements to means-tested housing allowances for young families.
- Improved parental insurance benefits (the "guarantee level") for parents normally having very small incomes.

The non-socialist parties rejected these proposals as insufficient. Since the improvements are financed by means of additional taxation (paid partly by young families themselves), the critics have argued that the net benefit of the reform to these families is quite small. The Social Democrats, however, insist that the increase in child allowance is the biggest ever

and will give an ordinary family with two children SEK 3,000 extra in take-home pay yearly.

The Social Democrats emphasise that they are out to redistribute money from childless households to families. The 1986 budget included certain improvements to means-tested housing allowances, partly to alleviate the effects of other spending cuts in the housing sector. In addition, the opposition parties were invited to discuss improvements to family financial benefits. On the other hand, the Social Democrats have long been appealing for a certain amount of restraint. The very fact of everybody having to help foot the bill shows that there is a limit to the speed at which redistribution can proceed.

As previously, however, the talks with the Opposition failed to produce an agreement. Instead the Government introduced proposals of its own to the folowing effect:

- an increase in child allowance by SEK 1,020 to 5,820 per child annually, as from 1st January 1987
- a corresponding improvement in "large family supplements"
- an increase in the parental insurance "guarantee level" from SEK 48 to SEK 60 daily
- improvements to benefits for families with student children between the ages of 16 and 20.

This reform was to be financed partly by heavier taxation of oil and an increase in the turn-over tax on stocks and shares. Once again, the opposition parties found this package inadequate. The Moderates, however, were the only party to reject the increase in child allowances. The Government steered its proposals through the Riksdag by enlisting the support of different parties for different sections.

But the Social Democrats are reserving their heaviest fire for dissensions between the non-socialists. The improved family benefits proposed by the non-socialist Opposition (and presented in greater detail below) are, the Social Democrats maintain, mostly playing to the gallery, since the non-socialist parties cannot agree on how the reform is to be financed or constructed. Consequently, the argument continues, these proposals will never be put into effect, not even by a new government.

Some of the unity traditionally existing between the Social Democrats and the Liberals on the subject of child care and parental insurance still survives. This was most apparent during the Liberal period of office in 1978/79, when the two parties enacted amendments to parental insurance against the will of the Centre and Moderates.

The Social Democrats, like the Liberals and Moderates, criticise the heavy marginal effects encountered by parents of infant children. They have said, for example, that day nursery charges should be equalised as between individual municipalities and they have been more outspoken than before concerning the drawbacks of means-tested housing supplements. No reforms have been presented, however. Realisation of the extensive reforms demanded both by the party and by the Ministry of Health and Social Affairs is inhibited by the heavy budgetary deficit.

The Moderates

In keeping with the conservative ideological tradition, the Moderates have consistently emphasised the importance of families as a factor of social experience and secure upbringing. A wider choice for families is an essential demand which is also reiterated by the other non-socialist parties. At the same time the Moderates have been more sceptical of the expansion of day nurseries, particularly by comparision with the Liberals. In recent years the Moderates have concentrated their attention more and more on the economic problems of young families.

The basic problem as the Moderates see it is that young families are overtaxed. The Social Democratic government has reduced family living standards through the 1982 devaluations and through a succession of tax increases by which house-owners—a category very much in the focus of Moderate attention—have been particularly hard hit. The improvements made to social benefits have not provided adequate compensation.

The Moderates object to the combination of tax increases and increased hand-outs, which produces what they call a "whirligig" effect, with money passing from taxpayer to State and back again. Instead the Moderates emphasise that families must be able to live on their own incomes. The system of taxation must be altered so as to take into consideration the number of people having to live on an income.

This must be achieved by allowing parents a local tax deduction of SEK 15,000 per child. In this way the deduction will be of equal value—about SEK 4,500—to families in different income brackets since local income tax is levied at the same percentage rate on all incomes. (On the other hand, local income taxation rates vary quite considerably from one municipality to another, the normal range being between 28 and 33%.) The reform is to be implemented by stages over a period of three years. Those whose incomes are not large enough to qualify them for the deduction are to receive a corresponding grant instead. This deduction will serve approximately the same purpose as present-day child allowances. But the Moderates argue that there is a psychological value in people living on their own earnings instead of hand-outs.

The Moderates, however, do not want to abolish child allowance, though they want to freeze it at the current level. (A proposal to abolish child allowances for the first child is thought to have been part of the reason for the crushing defeat suffered by the Moderates in the 1960 elections.)

Family policy and criticism of the growing number of people on social security were among the principal issues on which the Moderates fought the 1985 election. The slogan that "people must be able to live on their earnings" aroused widespread attention and the party's proposals sparked off a vigorous debate, mostly for two reasons:

In addition to the reforms of family policy already mentioned, the Moderates advocate a number of spending cuts, e.g. in health insurance and in the subsidies which serve to restrain milk prices and rents. This led the Social Democrats to argue that on the whole, and with the exception of high-income groups, families with children would lose out on Moderate policies. Various specimen calculations of the effects of the proposals on different types of family played a prominent role in the election debate.

In addition, the Moderate Party wanted to finance its reforms partly by increasing local income tax across the board. This, however, was expected to strike hardest against single persons in low income brackets, an opinion on which the Moderates now partly concur. It has also been alleged that this proposed tax increase collided with the Party's tax-reduction profile.

No comprehensive proposals have been introduced on finance, but some of the costs are to be covered by means of general spending cuts in the public sector and some of them by a limit increase in local tax on incomes exceeding SEK 70,000 per annum.

The Moderates, like the Centre, stress that looking after one's own children must qualify as useful work. Accordingly the party wishes to introduce a new grant, a tax-free care allowance of SEK 6,000 per annum for all children between the ages of 1 and 3 years. This payment, it is felt, will mean greater freedom of choice in that parents who have not obtained day nursery places will still receive support towards their child care arrangements. The same intention underlies the proposed tax deduction for verified child supervision costs up to a certain level. Care allowances are to be financed by reducing State grants to municipal child care, which will mean parents having to pay more for sending their children to day nursery.

The Moderates are unmoved by the two cardinal demands of the Social Democrats, viz more day nurseries and an expansion of the parental insurance scheme. In the short term the Moderates want to re-organise State grants to day nurseries in such a way that equal amounts of support will be received by all of them, private ones included. In addition, the municipalities will be required—and not just entitled—to pay the State grant to private day nurseries measuring up to the required standards. Looking further ahead, however, these State grants are to be abolished and superseded by direct payments to parents.

The Moderates oppose an expansion of the parental insurance scheme to provide loss of earnings compensation. On the other hand they want to raise the minimum benefit rate (payable, for example, to stay-at-home spouses with no previous income) from SEK 48 to SEK 63 daily, so as to offset the effects of inflation.

Like the Social Democrats and Liberals, the Moderates want to reduce the marginal effects incurred by parents of infant children. The party wants means-tested housing allowances to be superseded, as far as possible, by its tax deduction and reduced income tax among other measures. A demand is now being launched for the reduction of marginal taxation rates to a maximum of 40% for most full-time employees, i.e. not only young families. This reform was one of the critical election issues, because it would cost several billion kronor to put into effect and the Liberals and Centre want to take things more slowly, concentrating instead on reducing the budgetary deficit.

The Liberal Party

By tradition, the Liberal Party has stressed that family policy must promote both a free choice for parents and equal opportunities for women and men. As stated earlier, this party has often been closer to the Social Democrats than to the Moderates and the Centre. At the same time there have been powerful demands within the party, especially from the free-church groups, for a care allowance of some kind. This demand has long

been included in the party programme but has so far been made to defer to other reforms. Conflicts of opinion within the party seem to have died down considerably during the past year, at the same time as increasing emphasis has been put on the demand for freedom of choice.

The Liberal Party is now concentrating above all on the increasing economic difficulties of young families. A redistribution from childless households to young families is also intended to help reduce marginal effects.

Unlike the Centre Party, the Liberals want the increased support to be tied to the children, not to the family. Accordingly, the party wants to raise child allowances to SEK 8,000 per child per annum for a three-year period. This support is to be made alternatevely available in the form of a tax reduction. A half extra child allowance is also to be paid for the second child. In addition, families are to receive a tax-free care allowance of SEK 4,000 annually for every pre-school child aged 12 months or over. This, together with child allowance, is intended either to make it easier for one parent to stay at home or else to finance child care arrangements outside the home.

The Liberals reject the taxable care allowance advocated by the Centre Party, with reference to equal opportunities. The increased marginal effects, they argue, would raise the employment threshold for women wishing to go out to work. Instead the Liberals want to lower this threshold by gradually reducing the means-tested housing allowance and introducing equal day nursery charges for everybody, regardless of income.

In the autumn of 1985 the Liberals, unlike the Centre Party and the Moderates, backed the Government's new expansion plan for child care outside the home, a standpoint which gave rise to a great deal of debate. Critics in the other non-socialist parties argued that the Liberals were now committing themselves to such heavy resource transfers to municipal child care that there would not be enough money left over for a care allowance to give parents a free choice. The Liberals riposted that the waiting lists for day nursery and other forms of child care were a serious obstacle to freedom of choice and must therefore be abolished.

Like the other non-socialist parties, the Liberals want to reorganise State grants for child care so that private day nurseries will qualify for the same support as municipal ones. In addition, the party wants State grants eventually to be paid in proportion to the number of children living in the municipality; the Social Democrats feel that this will be prejudicial to municipalities which have already expanded their day nurseries.

Unlike the Centre and KDS, the Liberals want to expand the parental insurance scheme so as to give parents more time for their children. The party defends the loss of earnings compensation principle, partly on the grounds that it also encourages fathers (who usually have the biggest income in the family) to stay at home.

The Liberal Party wants to finance its reform of family policy partly by gradually abolishing the State milk subsidies and by imposing heavier tax on all incomes in excess of SEK 7,500. Here again they differ from the Centre Party, which stoutly defends the remaining food subsidies.

The Centre Party (and KDS)

The cornerstone of the Centre Party's family policy has long been its recommendation of a taxable care allowance. Among other things this would improve conditions for home-working women in rural areas, where child care and gainful employment are often hard to come by. In this connection, not least, the Centre Party readily emphasises distributive arguments, because like the Social Democrats, it regards itself as a spokesman for low-income categories of the electorate.

The party emphasises that care allowances are to be treated on a level with earned income and are to confer social security benefits. During an initial phase this type of allowance is to be paid at a rate of SEK 24,000 annually to all families with children up to 3 years old (while later on it will be paid to all families with children of pre-school age). The Party stresses above all that care allowances put men and women on an equal footing, enabling many parents to reduce their working day to six hours without losing money and future pension benefits. In this way a reduction of working hours would also be more attractive to men. At the same time, parental entitlement to leave of absence for the care of children is to be extended to three years, so that parents will be able to return to their jobs after a period at home.

In this way the Centre Party wants to increase the opportunities of allowing one parent to remain at home or at least to reduce his or her working hours. This, the argument goes, will enhance the value of work in the home and confer greater freedom of choice. The focus of Centre policy on home-working parents is accentuated by the demand for an increased tax reduction for single-income families with children under 18, viz SEK 6,000 instead of 1,800, to offset the effects of inflation since the reduction was first introduced. The Centre Party takes the demand for freedom of choice to imply that different types of child care must qualify for equal State grants. Parents making private child care arrangements not qualifying for State grants must be compensated by exemption from payroll levies (social security contributions) on wage payments up to SEK 20,000.

The Centre Party, like the other parties, also wishes to improve consumption supports for families with children. Its minimum demand is for child allowances to be increased by SEK 500 per child annually. At the same time the "large family supplement" is to be expanded so as also to include the second child. Unlike the Liberals and Moderates, the Centre Party, is amenable to an increase in means-tested housing allowances.

The non-socialist parties agreed that the budgetary deficit should be reduced more heavily than the Government has proposed, by means of public spending cuts. For example, they want employees to bear a larger share of the costs of unemployment insurance. The Centre Party has not specified any measures to finance its proposals on family policies, beyond calling for a diversion of the money accumulated in a partial pensions fund to finance the first stage of care allowances instead.

The Centre Party's family policy has more in common with its ally in the 1985 elections, the Christian Democratic Party (KDS), than with the other non-socialist parties. The Moderates, for example, have previously advocated a taxable care allowance but have shifted their ground, partly with reference to the problem of aggravated marginal effects. KDS, on the other hand, advocates a "care salary" from 7 months until the child is 3 years old, payable at roughly the same rate as is contemplated by the Centre Party

But KDS wants half a care salary extra to be paid for every additional child. Day nursery charges are to be raised to the same level as this care salary. In addition, the party wants to reduce the parental insurance benefit period to six months.

The KDS policy is expressly aimed at supporting marriage, counteracting divorces (now running at 20,000 per annum) and encouraging parents to look after their children at home instead of putting them in day nurseries. To this end the party also wants married couples to split the family income down the middle for taxation purposes. This proposal is reminiscent of the joint taxation of married couples which was abolished in 1971, partly in order to encourage women to go out to work.

The Left Party Communists (VPK)

VPK has by tradition been committed to improving the economic situation for young families, but at present its main emphasis is on demands for more day nurseries and a universal six-hour working day.

The party emphasises that municipal child care amenities must be expanded in order to make it possible for women to go out to work but, above all, in order to counteract social problems. Like KDS, the party points to the rising divorce rate and to research findings showing that one child in five has mental problems of some kind. But whereas KDS advocates a solution whereby one parent stays at home, VPK wants to give public child care "all conceivable resources for counteracting negative social conditions."

Both quantitative and qualitative improvements must be made to child care. All children must be admitted to municipal day nurseries, and it is said that this will call for an additional 400,000 places. Full provision must also be made for the demand for leisure centres for school children up to the age of 12. Family day nurseries are an inferior form of child care and should be abolished, the Party maintains.

To achieve this heavy expansion, VPK wants to increase and re-organise State grants. The whole scheme is to be financed by increasing the tax paid by employers on their wage bills.

The Party wants immediate legislation on the right to pre-school education, so as to accelerate the expansion process.

VPK differs from the other parties both through its demand for completely free child care, for a very high rate of expansion and in wishing to introduce standards for personnel ratios, the size of day nursery groups and the amount of floor space to be guaranteed to each individual child. Some such standards have existed previously but were abolished, partly because it was felt that they were a cause of escalating costs and bureaucracy. VPK emphasises, however, that it is impossible, for example, to increase the number of children in a day nursery group without any impairment of quality. (The party wants groups of children between the ages of three and seven to be restricted to a maximum of 15, with one employee to every five children.)

VPK also wants to augment parental insurance so as to provide 18 months' full compensation for loss of earnings. Parental leave must be shared between parents. Four of the 18 months must be turned into a quota, so as to encourage fathers to take time off.

Several parties are discussing proposals to reduce working hours from eight to six per day. Most of them, however, regard a six-hour working day with no loss of earnings as a fairly remote prospect. VPK, on the other hand, has set a date: 1990. The working day is already to be reduced to seven hours in 1987. In this way, the party argues, parents will have plenty of time for both work and their children. And in this way the long "working days" of day nursery children—sometimes lasting from 7 in the morning till 6 in the evening—can also be shortened.

VPK opposes the various non-socialist proposals concerning care allowances, which it maintains will force women out of employment. Instead the party wants to improve the economic situation for young families by other means, above all by abolishing value added tax on basic essentials. This, it is felt, will be particularly beneficial to young families, which have bigger food bills than other households. An ordinary family with two children is said to pay SEK 8,000 annually in VAT on food. It is therefore proposed to abolish this taxation in three steps. Furthermore, child allowances are to be increased by SEK 1,025 per child per annum, and inflation-pegged at this level. Housing allowances are also to be improved more than the Government has envisaged.

VPK is frequently accused by the other parties of a "pie in the sky" policy, of making promises they could never keep if they came to power. But VPK argues that there is a great deal of money to be derived, for example, by heavier taxation of legacies, gifts and share transactions. The expansion of day nurseries is considered an economic proposition because it will enable more women to go to work and in this way help to increase production.

Conclusion

During the 1980s, family policy has been one of the most burning issues of Swedish domestic politics. True, there was no absolute consensus in the 1970s either, but there was less conflict—especially, perhaps, in the matter of day nurseries—and less emphasis on ideological differences.

Family policy has not been a winning number for the Social Democrats since the change of government in 1982. The debate on freedom of choice has forced them on to the defensive, and they have been made to carry the blame for the economic difficulties experienced by families.

The weakness of the non-socialist parties lies in their divisions, which were clear for all to see in the 1985 election campaign. They differ as regards both reform programmes and methods of finance. What is more, the electoral defeat suffered by the Centre Party appears to have intensified rather than weakened its determination to press important, profile-making demands, a category to which the proposal for a taxable care allowance undoubtedly belongs.

The election led to a loss of votes for all parliamentary parties except the Liberals, who more than doubled their strength. This means, for example, that the non-socialist parties traditionally less in favour of day nurseries have lost ground. It would be rash, however, to interpret the Liberal gains as a shift of public opinion on this subject. On the other hand, it is arguable that a certain general shift of opinion in a social direction took place within the non-socialist bloc and that the Moderates did not really succeed in convincing voters of the acceptability, in distributive terms, of the aggregate effect of their proposals on taxes and social benefits.

Most of the indications today point to a continuation of the debate on freedom of choice in its broad sense, at least for as long as there continues to be an acute shortage of day nursery places. The Social Democrats have in fact been seen to shift their ground somewhat, e.g. by taking a more positive view of day nurseries run by parents themselves and a more open-minded attitude towards the care allowances advocated by the Centre Party. It is very doubtful, however, whether the non-socialist parties will be able to score any further political gains in this field as long as their divisions persist. On the other hand, one cannot discount the possibility of family policy influencing the state of the parties within the non-socialist bloc. Developments in this respect will to a great extent hinge on the ability of the Liberal Party, after its gigantic successes in 1985, to put its favourable attitude towards out-of-home child care across to a body of opinion which is fairly critical of day nurseries.

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FS 16 The Swedish Political Parties
FS 23 The Economic Situation of Swedish Households
FS 86 Child Care Programs in Sweden

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No 323 Karin Grönvall: The Physical and Psychological Environment of Children in Sweden (August 1984)

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